

MEMORANDUM OF APPRAISAL

The purpose of this document is to memorialize certain understandings between Bridgeview Place Condominium Association, Inc. ("Bridgeview") and its insurer, Philadelphia Indemnity Insurance Company ("Philadelphia"), as it pertains to appraisal of its May 27, 2019 hail and wind loss under Claim No. 1403823 and Policy No. PHPK1865132 ("the Policy"). The parties agree as follows:

1. The Appraisal Condition set forth in Form PI-ULT-007 11.98 of the Policy, which is attached and incorporated as Exhibit A, shall govern determining the amount of the hail and wind loss.
2. If the appraisers cannot agree on an umpire within 21 days of the execution of this Memorandum, then either party may petition the U.S. District Court for the Northern District of Illinois for the appointment of an umpire.
3. For purposes of this appraisal, the appraisal panel is allowed to determine: (a) causation; (b) scope of damage; (c) scope, means and method of repairs; (d) the cost of repairs; (e) matching (if appropriate), (f) the cause of any mismatching (if mismatching is present), (g) like kind and quality; and (f) whether the damage and repairs are extensive enough to require employing a general contractor.
4. It is further mutually agreed and understood that the appraisal panel shall not appraise, analyze or otherwise consider issues pertaining to insurance coverage.
5. The appraisal award shall state separately the replacement cost value, applicable depreciation and the actual cash value of the loss on a line-item basis for each of the properties subject to the award. Specifically, the award shall, either on its face, or incorporated as an exhibit, contain an Xactimate or other line-item estimate substantially similar in form to those promulgated

by Bridgeview's representative, Eco-Shield Public Adjusters, and Philadelphia's contractor, JS Held. To aid in this effort and reduce the costs associated with appraisal, counsel for the parties shall work to secure the parties' current estimates, in an .ESX format, and provide them to the panel.

6. The appraisal award shall state separately whether the replacement cost value and the actual cash value of the loss includes any matching component and, if so, what building components are subject to matching and the replacement cost value and the actual cash value associated with the matching component of the award for each building.

7. The appraisal award shall state separately whether the replacement cost value and the actual cash value of the loss includes costs due to the enforcement of, or compliance with, an ordinance or law regulating the repair/replacement of damage to the building from the loss and the replacement cost value and the actual cash value associated with the ordinance or law component of the award for each building.

8. The appraisers and umpire are entitled to retain whatever experts they, in their sole discretion believe necessary. Philadelphia shall pay all costs and expenses incurred by the retention of its appraiser's experts. Bridgeview shall pay all costs and expenses incurred by the retention of its appraiser's experts. Bridgeview and Philadelphia shall bear the expenses incurred by the retention of the umpire's experts equally.

9. Both parties agree to provide each other with copies of all documents tendered to the umpire within fourteen (14) days in advance of any appraisal hearings, meetings, or inspection, unless a greater or smaller amount of time is set by the umpire.

10. The parties agree to encourage the appraisal panel to reach an appraisal award within 60 days of the execution of this Memorandum.

11. It is mutually agreed and understood that *ex parte* communications with the umpire are expressly forbidden. The parties and their representatives may communicate with their own appraiser.

12. In the event the appraisal panel has questions regarding this Memorandum or the appraisal process, the appraisal panel shall schedule a telephonic call with the parties' legal counsel.



Authorized Representative
Bridgeview Place Condominium Association, Inc.

10/5/21

Date



Steven Esbensen

Authorized Representative
Philadelphia Indemnity Insurance Company

10/4/21

Date



EXHIBIT A

2. For each Coverage Extension is the Limit of Insurance applicable to that Coverage Extension;
3. For "Fine Arts" is:
 - a. \$25,000; or
 - b. The amount shown in the "Fine Arts" Schedule on file with us;Whichever is greater; and
4. For all other coverage provided under this Coverage Form is the applicable Limit of Insurance shown in the Property Coverage Part Declarations.

D. Deductible

We will not pay for "loss" in any one occurrence until the amount of the "loss" exceeds the Deductible shown in the Declarations or schedules. We will then pay the amount of the "loss" in excess of the Deductible, up to the applicable Limit of Insurance, after any deduction required by any of the following:

1. Coinsurance Condition;
2. Agreed Value Optional Coverage; or
3. Reporting Endorsement.

If more than one Deductible is applicable under this Coverage Form to "loss" in any one occurrence, we will only apply the highest applicable Deductible.

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions:

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of "loss", either may make written demand for an appraisal of the "loss". In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.